

Customer Review Panel

Seattle Public Utilities

December 13, 2021



City of Seattle

Committee Business

Presenters: Karen Reed, Brian Goodnight, Kate Morrison, Dani Purnell,
Natasha Papsoueva



City of Seattle

September Evaluation

- **Highlights**

- Detailed presentations and expert speakers are highlights

- **Improvements**

- More time for questions and discussions during the meeting
- Increased focus on community-focused activities and visitors during non-SBP update season



Meeting Structure


- **Quarterly Meetings**

- Moving one month forward in 2022 to allow more time to finalize materials and get to the CRP in advance of meetings.
- Each meeting is focused on one area of the SBP.

- **Other opportunities**

- New member orientation, January
- Ship Canal Water Quality Project tour, March
- Community-focused meetings





Seattle Public Utilities Customer Review Panel: Brief History and Mission

DECEMBER 13, 2021

KAREN REED AND BRIAN GOODNIGHT

Customer Review Panel First Established in 2013

- ▶ The SPU Customer Review Panel was first formed in 2013 by the Mayor and City Council “to provide feedback and guidance during the new Seattle Public Utilities (SPU) Strategic Planning Process” launched that year – leading to submittal and ultimate adoption of the Utility’s 2015-2020 Strategic Business Plan.
- ▶ The new strategic planning process was intended to mirror an effort launched three years earlier by City Light.
- ▶ Like the City Light strategic business plan, the “SPU Strategic Business Plan” was intended “to guide utility investments, service levels, and rate paths for the six year” planning period.
- ▶ The Customer Review Panel originally had 9 members.
- ▶ The Panel expired once the 2015-2020 plan was adopted in 2014.

Council re-established the Panel in 2016 for the 2018-2023 SBP Update

- ▶ The 2015-2020 Strategic Business Plan was structured to be updated in three years.
- ▶ In 2016, the City Council re-established a 9-member Customer Review Panel to “secure the input and engagement of SPU’s Customers in the formulation of the 2018-2023 Strategic Business Plan.”
- ▶ That Panel was to again dissolve upon adoption of the Plan update.

Council made the Panel a permanent committee in 2017

- ▶ When the Council adopted the 2018-2023 SPU Strategic Plan Update in 2017, they made the Panel permanent, rather than let it again dissolve.
- ▶ Resolution 31760 also requested SPU submit legislation later that same year to formally describe the Panel's composition, appointment and confirmation rules, and any other procedural requirements necessary to deliberate and evaluate the development and implementation of strategic business plan updates.

Resolution 31800 first defined the Panel roles & rules (2017)

- ▶ **Panel Purpose:** “to provide ongoing stakeholder oversight as Seattle Public Utilities (SPU) implements elements of the Strategic Business Plan (Plan) Update and conducts future updates.”
- ▶ **Composition:** 9 seats, “selected to ensure a balance of viewpoints regarding services and rates that are representative of the views within SPU’s customer base, including residential, commercial, low-income housing, nonprofits and the development community”
- ▶ Odd # seats: mayor appointment, must be confirmed by Council.
- ▶ Even # seats: Council appointment
- ▶ Staggered terms.

Panel expanded to 11 positions in 2018 (Resolution 31825)

- ▶ Same Panel purpose; 2 additional members.
- ▶ Positions 1-5: 23-month term
- ▶ Positions 6-11: 35-month term.
- ▶ Terms deemed to have commenced 8/1/2018; end June 30
- ▶ All current members may be reappointed for one additional 3-year term.
- ▶ Members remain seated until an appointment for a replacement is made.

Current Panel Make-up

Position #	Name	Term ends June 30 of
1	Tiffany Sevilla	2024
2	Khalid Mohamed	2024
3	Miki Sodos	2024
4	Suzanne Burke	2024
5	Maria McDaniel	2024
6	Gretchen Glaub	2022
7	Bobby Coleman	2022
8	Noel Miller (Chair)	2022
9	Puja Shaw	2022
10	Thy Pham	2022
11	Rodney Schauf (Vice-Chair)	2022

Odd #
positions
appointed
by Mayor;
Even #
appointed
by
Council;

Panel Roles & responsibilities: (Resolution 31800, Section 5)

Section 5.A: Provide Oversight of the Strategic Business Plan Implementation

Section 5.B: Provide input into Plan updates

Section 5.a: Oversight of Plan Implementation

1. Review and provide input on the progress of the action plans* and other deliverables related to the Plan.

* Now called Strategic Initiatives and Strategic Investments.

--there are 18 of these in the current plan.

2. Monitor the 6-year rate Path...gain an understanding of the drivers impacting the revenue requirements that differ from those in the assumed rate path and provide input in support of Plan implementation.

Section 5.b Provide input into Plan updates

1. Gain a knowledge of SPU services, financial policies, costs and rates.
2. Review Plan assumptions, technical evaluations, policy directions, action alternatives.
3. Work closely with staff designated by the City Council and the Mayor to understand the issues and concerns of the City Council and the Mayor
4. Provide to the Mayor and City Council comments on the plan concurrent with the Plan delivery for adoption
5. Assist the Mayor and City Council in engaging customers in discussions of the merits and implications of the Plan.

Panel Rules (Resolution 31800, Sect. 6)

- ▶ The Panel will establish its own rules for meeting attendance, quorum, leadership, and other matters necessary for its successful functioning.
- ▶ Expectation to meet at least quarterly.
- ▶ Meetings and proceedings are available to the public.
- ▶ Panel findings and recommendations available to the public.
- ▶ SPU staff and a facilitator will support the Panel.

Panel adopts its own **Charter** to implement its operating rules

- ▶ Charter last updated in 2018 by Panel following adoption of Resolution 31825 expanding the number of Panel members from 9 to 11.
- ▶ Chair and Two Vice-Chairs selected by Panel.
 - ▶ 2-year terms commencing in October
- ▶ Every member has 1 vote; no voting by proxy. Simple majority to approve.
- ▶ Chair works with facilitator and staff to review and confirm agendas in advance, act as spokesperson for the Panel.
- ▶ Copy of charter in meeting packet.



Questions or Comments?

STRATEGIC BUSINESS PLAN

2021-2026



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Key Elements

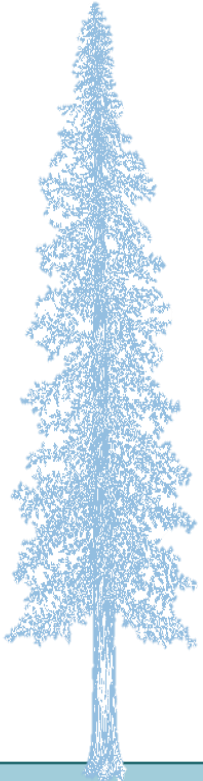
Vision + Mission + Cares Principles
4 Strategic Focus Areas
18 Highlighted Investments + Initiatives
3 Year Rate Path + 3 Year Rate Forecast
Supporting Appendices



SPU Vision + Mission + CARES Principles

Our Vision - Community Centered, One Water, Zero Waste - reflects the type of utility we want to build with our communities in the long term.

Our Mission captures the core nature of our work – “SPU fosters healthy people, environment, and economy by partnering with our community to equitably manage water and waste resources for today and for future generations.”



4 Strategic Focus Areas

Delivering Equitable Essential Services

Stewarding Environment and Public Health

Empowering Our Customers, Community, and Employees

Strengthening Our Utility's Business Practices



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3 Year Rate Path and 3 Year Rate Forecast

PROJECTED 2021-2026 AVERAGE RATE INCREASES

	Rate Path			Rate Forecast			Average
	2021	2022	2023	2024	2025	2026	
Water	0.0%	2.7%	4.7%	3.6%	4.2%	5.5%	3.4%
Wastewater	7.3%	3.1%	5.9%	0.5%	7.8%	3.6%	4.7%
Drainage	7.4%	8.6%	7.2%	3.9%	6.5%	6.7%	6.7%
Solid Waste	2.9%	2.9%	2.2%	2.3%	2.1%	2.1%	2.4%
Combined	4.5%	3.9%	5.0%	2.2%	5.4%	4.2%	4.2%



18 Highlighted Initiatives and Investments



- **Highlighted Initiatives and Investments** are representative examples of how SPU will advance the strategies described in the Strategic Business Plan.
- **Investments** result in tangible infrastructure, asset, asset repair, or service and require more significant investment (over \$5M).
 - Reported on **quarterly**.
- **Initiatives** represent policy, planning, and program work and generally require less significant expenditures (under \$5M).
 - Due to complexity and evolving nature of initiative work, we reporting on initiatives **annually**.
- These projects are described in detail in Appendix B of the Strategic Business Plan.





	Investments Quarterly Reporting	Initiatives Annual Reporting
Stewarding Environment & Public Health	<ol style="list-style-type: none"> 1. Ship Canal Water Quality Project 2. Green Stormwater Infrastructure 	<ol style="list-style-type: none"> 1. Shape Our Water: A DWW Plan for Water Resilient Future 2. Climate Justice, Adaption, and Mitigation for Water and Waste 3. Waste Diversion 4. Waste Prevention
Empowering Customers, and Community, and Employees	<ol style="list-style-type: none"> 1. Side Sewer Assistance 2. SPU Support Services for the Unsheltered 3. Workforce Facilities Investments 	<ol style="list-style-type: none"> 1. Customer Affordability Programs 2. Seeds of Resilience Impact Investment Proposal 3. Race and Social Justice Strategic Plan 4. SPU Workforce Development
Strengthening Our Utility's Business Practices	<ol style="list-style-type: none"> 1. Water System Seismic Resilience 2. Water Asset Management and Opportunity Work 3. DWW Asset Management Work 	<ol style="list-style-type: none"> 1. Accountability and Affordability Strategy Plan 2. Risk and Resilience Strategic Plan



Example Initiative

Shape Our Water: A Drainage and Wastewater Plan for A Water Resilient Future



- SPU is developing an integrated system plan called **‘Shape Our Water.’**
- The plan includes a long-term vision and a short-term implementation plan and will guide investments, policies, programs, and projects that will improve the performance and resilience of our drainage and wastewater systems while optimizing social and environmental benefits for the city.
- **Major milestones** include community engagement and the identification of wastewater and drainage challenges and opportunities.

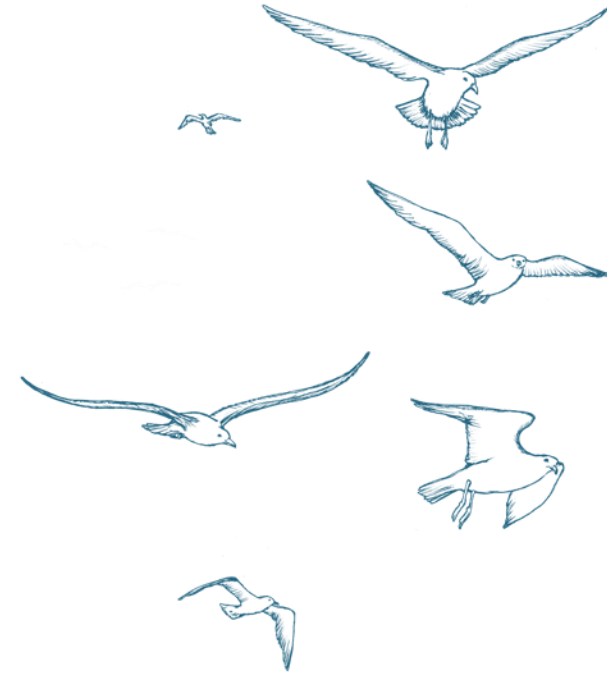


Example Investment

Ship Canal Water Quality Project



- SPU is on track to deliver the **Ship Canal Water Quality Project (SCWQP)**, the largest capital project SPU has implemented, on time and within budget.
- The SCWQP will improve regional water quality by keeping more than 75 million gallons of polluted stormwater (from rain) and sewage from flowing into area waterways.
- **Major milestones** include the completion of tunneling 2.7-mile storage tunnel.



Essential Services



- SPU's **essential service metrics** measure utility performance in meeting the SBP's delivering equitable essential services goal to provide high quality service through three strategies:
 - Strive for best-in-class
 - Provide reliable and rewarding experiences
 - Meet or exceed expectations, requirements, and commitments.



Essential Services

Delivering Equitable Essential Services						
We are committed to supporting our community, customers, and employees in building an equitable, sustainable, and just future.						
Best In Class	5.8% Distribution System Leakage Annual Target: ≤10%	-4651 Utility Discount Program Target: Meet the Need	.80 lbs Residential Garbage** Annual Target: <1lb/pers/day	100% Clean City Collection Target: ≥95%	2.32 Sewer Overflows Target: ≤4 per100 miles	
Reliable and Rewarding Experiences	97% Water & DWW response* Target: ≥ 90%	1.0 Missed waste pick-up Target: ≤1 per 1000 stops	99% Customer call response Target: ≥ 80% in 3 mins	93% Customer satisfaction Target: ≥ 90%		
Expectations, Requirements, and Commitments	62% CSO Outfalls Annual Target: ≥ 62%	2.27 lbs Garbage, Recycle, Organics** Target: < 2.5 lbs./person/day	80% Customer Effort Target: ≥ 80%	19% WMBE Purchasing Target: ≥ 17%	18% WMBE consultants Target: ≥ 22%	Met Drinking Water Quality Target: Regulation met
		Met NPDES*** Target: Requirements met				
* More details about the performance of these service areas below **Metrics for Residential Garbage and Garbage, Recycle, Organics reporting is annual, and there is a lag in obtaining the data. Current annual metric available is from 2020. *** National Pollution Discharge Elimination System permits requirements for Seattle's Drainage and Wastewater systems						

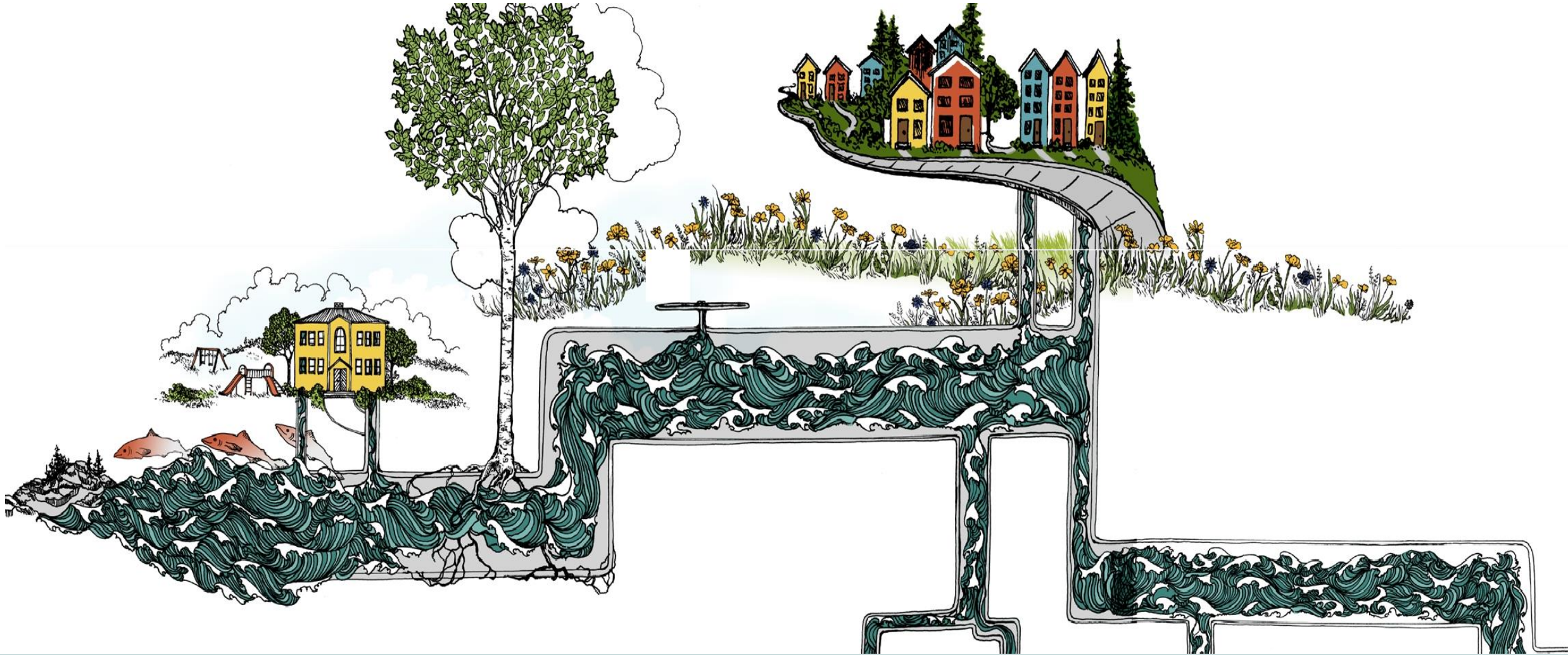


Supporting Appendices

- [Appendix A - Accountability and Performance Reporting](#)
- [Appendix B - Highlighted Initiative and Investment Details](#)
- [Appendix C - Community Research and Outreach Report](#)
- [Appendix D - SPU Financial Forecast](#)
- [Appendix E - Accountability and Affordability Strategy](#)
- [Appendix F - Risk and Resilience Strategic Plan](#)
- [Appendix G - CRP Letter to the Mayor](#)



Questions?



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